STATUTORY INSTRUMENTS

2026 No. 449

PENSIONS

The National Employment Savings Trust (Amendment) Order 2026

Made - - - -	*21st April 2026*
Coming into force - -	*29th April 2026*

The Secretary of State makes this Order in exercise of the powers conferred by sections 67(1) and (8) and 144(2) and (4) of the Pensions Act 2008(**1**).

In accordance with section 71(2) of that Act, the Secretary of State has obtained the consent of the trustees(**2**) before making this Order, and in accordance with section 71(4) of that Act, the trustees consulted the members' panel and the employers' panel(**3**) before giving consent to the making of this Order.

In accordance with section 143(4) and 143(5)(c) of that Act, a draft of this Order was laid before Parliament and approved by resolution of each House of Parliament.

Citation, commencement and extent

1.—(1) This Order may be cited as the National Employment Savings Trust (Amendment) Order 2026 and comes into force on 29th April 2026.

(2) This Order extends to England and Wales, Scotland and Northern Ireland.

Amendment of the National Employment Savings Trust Order 2010

2.—(1) The National Employment Savings Trust Order 2010(**4**) is amended as follows.

(2) In article 32 (payment of benefits by the Trustee)—

(a) in paragraph (1) after the word "provide" insert "one or more of";

(b) for paragraph (2)(a) substitute—

"(a) where a member is alive—

(i) the payment to the member of a lump sum;

(**1**) 2008 c. 30.
(**2**) The term "trustees" is defined in section 78 of the Pensions Act 2008.
(**3**) The terms "members' panel" and "employers' panel" are defined in section 78 of the Pensions Act 2008.
(**4**) S.I. 2010/917; relevant amending instruments are S.I. 2013/597, S.I. 2015/178.

(ii) the payment to the member of a scheme pension;

(iii) the purchase of a lifetime annuity policy in the name of the member;

(iv) the payment to the member of a drawdown pension;”;

(c) in paragraph (2)(b)—

(i) omit the “or” after paragraph (iii); and

(ii) after paragraph (iv), insert “;

(v) the payment of a dependants’ scheme pension;

(vi) the payment of a drawdown pension to a dependant of the member, a nominee of the member, or a successor of the member.”;

(d) in paragraph (4)—

(i) move the definition of “dependants’ annuity” so that it appears after the definition of “charity lump sum death benefit”;

(ii) at the appropriate places insert—

““dependant of the member” has the same meaning as in paragraph 15 of Schedule 28 to the Finance Act 2004(**5**)

““dependants’ scheme pension” has the same meaning as in paragraph 16 of Schedule 28 to the Finance Act 2004(**6**)

““drawdown pension” has the same meaning as in paragraph 4 of Schedule 28 to the Finance Act 2004(**7**)

““nominee of the member” has the same meaning as in paragraph 27A of Schedule 28 to the Finance Act 2004(**8**)

““scheme pension” has the same meaning as in paragraph 2 of Schedule 28 to the Finance Act 2004(**9**)

““successor of the member” has the same meaning as in paragraph 27F of Schedule 28 to the Finance Act 2004(**10**)

Signed by authority of the Secretary of State for Work and Pensions

Torsten Bell
Parliamentary Under Secretary of State
Department for Work and Pensions

21st April 2026

(**5**) Paragraph 15 of Schedule 28 was amended by the Finance Act 2005 (c. 7), Schedule 10, paragraph 26; the Finance Act 2016 (c. 24), Schedule 5, paragraph 6(2) and (5); and S.I. 2005/3229, regulation 180.

(**6**) Paragraph 16 of Schedule 28 was amended by the Finance Act 2005 (c. 7), Schedule 10, paragraph 27, and Schedule 11, Part 4; and the Finance Act 2008 (c. 9), Schedule 28, paragraph 5.

(**7**) Paragraph 4 of Schedule 28 was amended by the Finance Act 2011 (c. 11), Schedule 16, paragraph 3.

(**8**) Paragraph 27A of Schedule 28 was inserted by the Taxation of Pensions Act 2014 (c. 30), Schedule 2, paragraph 3.

(**9**) Paragraph 2 of Schedule 28 was amended by the Finance Act 2005 (c. 7), Schedule 10, paragraph 11 and Schedule 11, Part 4; the Finance Act 2006 (c. 25), Schedule 23, paragraph 20; the Finance Act 2007 (c. 11), Schedule 20, paragraph 7(1) and (2); the Finance Act 2016 (c. 24), section 20(1) to (4); the Finance Act 2021 (c. 26), Schedule 5, paragraph 20(1) and (2); and S.I. 2007/493, regulation 2(1) and (2).

(**10**) Paragraph 27F of Schedule 28 was inserted by the Taxation of Pensions Act 2014 (c. 30), Schedule 2, paragraph 3(1).

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the National Employment Savings Trust Order 2010 (S.I. 2010/917) ("the Order").

Section 67(1) of the Pensions Act 2008 (c. 30) ("the Act") and article 3 of the Order established a pension scheme known as the National Employment Savings Trust ("the Scheme"). The National Employment Savings Trust Corporation established under section 75 of the Act was appointed as the trustee of the Scheme ("the Trustee") under article 4 of the Order.

Article 32 of the Order lists the benefits that the Trustee may pay using the pension account of a member of the Scheme. Article 2(2)(a) and (b) amend article 32 of the Order to provide that the Trustee may additionally provide a drawdown pension or a scheme pension to a member. Article 2(2)(c) amends article 32 of the Order so that, when a member has died, the Trustee may additionally provide either a dependant's scheme pension or a drawdown pension to dependants, nominees or successors. Drawdown pension, dependant, dependants' scheme pension, nominee, scheme pension and successor are defined in reference to terms used in the Finance Act 2004 (c. 12).

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.